

PRESENT VALUE OF EXPECTED CARE EXPENSES
Tanisha Williams

Prepared at the Request of

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January 22, 2016

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Summary:

The present value of the care expenses for Ms. Williams presented in the *Rehabilitation and Life Care Plan* prepared by Lurae Ahrendt, dated November 23, 2015, is **\$12,703,851** for Option 1 (Home Care) and **\$13,793,384** for Option 2 (Facility Care). The amounts are calculated using the life expectancy of 54.1 years. (Due to rounding to the nearest dollar the sum of the amounts in each column may not equal the sum of the components shown throughout this report.)

Information Relied Upon:

Rehabilitation and Life Care Plan prepared by Lurae Ahrendt, dated November 23, 2015;

CPI Detailed Report from the Bureau of Labor Statistics;

Interest Rates on Treasury Inflation Protected Securities as reported by the Board of Governors of the Federal Reserve System;

North Carolina Statutory *Life Expectancy Tables*.

Present Value of Care Expenses:

Two sets of Tables are provided. One set is captioned *Tanisha Williams_Present Value of Care Expenses, Option 1_Home Care*, the other set is captioned *Tanisha Williams_Present Value of Care Expenses, Option 2_Facility Care*. In each set Tables 1, 2 and 3 contain the present value of the expected future care expenses by year. Using the North Carolina Statutory *Life Expectancy Tables*, Mrs. Williams's current life expectancy is 54.1 years. The column *Year* list years from 1 through 55; the entry at year 55 is for .1 of a year.

For the categories in the *Life Care Plan* I calculated the current annual expenses as reported in the *Plan*. The categories are provided in Tables 1 and 2. The categories include: *Projected Evaluations; Projected Therapeutic Modalities; Wheelchairs(s)/ Mobility/ Maintenance; Durable Medical Items; Aids for Independent Living; Respiratory Needs; Supplies; Medication(s); Home Care/Facility Care; Future Medical Care Routine; Transportation; Architectural Renovations; and, Potential Complications*. For each category in the *Plan* I calculated the historical real growth rate of prices (the change in

relative price) by using data from the *CPI Detailed Report*. The growth rate of prices for the appropriate category was compared to the growth rate of prices of the CPI-U All items. The difference between the growth rate in prices of the category and the CPI-U All Items is the real growth rate of prices for the particular category. The endnotes in Table 4 contain the price data category from the *CPI Detailed Report* used in the calculation.

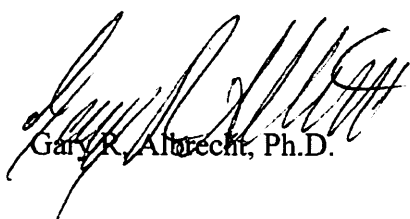
I then calculated the discount factor. The discount rate used in the discount factor is obtained from the interest rates on Treasury Inflation Protected Securities. The real interest rate used is 1.28 percent. The interest rate is reported by the Board of Governors of the Federal Reserve System.

The future interest rate paid on the Treasury Inflation Protected Securities is a function of the real interest rate and future inflation. The amounts shown in Tables 1 and 2 are calculated by first calculating the current cost in each future year. Then the expected real cost is calculated by applying the real growth factor to each year. The expected real cost is then multiplied by that year's real discount factor. Table 3 provides the summary.

Conclusion:

The columns *Present Value of Total Care Expenses: Option 1* and *Present Value of Total Care Expenses: Option 2* in Table 3 of each set contain the annual sums of the present value of the future care expenses. The sum, the present value of the care expenses, is **\$12,703,851** for Option 1 (Home Care) and **\$13,793,384** for Option 2 (Facility Care).

The calculations may change if additional information becomes available. Please do not hesitate to contact me if you have any questions.



Gary R. Albrecht, Ph.D.

Table 1
Present Value of
Future Care Expenses

Year	Projected Evaluations	Projected Therapeutic Modalities	Wheelchair(s)/ Mobility/ Maintenance	Durable Medical Items	Aids for Independent Living	Respiratory Needs	Supplies
	a & b	a & b	c & d	c	c	c&d	d
1	\$3,423	\$19,969	\$1,299	\$6,836	\$835	\$12,211	\$7,674
2	\$2,369	\$3,736	\$841	\$729	\$35	\$12,074	\$7,577
3	\$2,061	\$1,936	\$833	\$791	\$34	\$11,962	\$7,481
4	\$2,052	\$1,920	\$824	\$783	\$34	\$11,850	\$7,387
5	\$2,044	\$1,904	\$816	\$776	\$34	\$11,740	\$7,293
6	\$1,941	\$1,889	\$808	\$769	\$33	\$11,631	\$7,201
7	\$1,933	\$1,873	\$800	\$762	\$33	\$11,523	\$7,110
8	\$1,926	\$1,858	\$792	\$755	\$33	\$11,416	\$7,020
9	\$1,919	\$1,842	\$785	\$748	\$32	\$11,310	\$6,932
10	\$1,912	\$1,827	\$777	\$741	\$32	\$11,205	\$6,844
11	\$1,906	\$1,812	\$769	\$734	\$32	\$11,100	\$6,757
12	\$1,899	\$1,797	\$762	\$727	\$32	\$10,997	\$6,672
13	\$1,892	\$1,783	\$754	\$720	\$31	\$10,895	\$6,588
14	\$1,885	\$1,768	\$747	\$714	\$31	\$10,794	\$6,504
15	\$1,879	\$1,753	\$739	\$707	\$31	\$10,693	\$6,422
16	\$1,872	\$1,739	\$732	\$701	\$30	\$10,594	\$6,341
17	\$1,866	\$1,725	\$725	\$694	\$30	\$10,496	\$6,261
18	\$1,860	\$1,711	\$718	\$688	\$30	\$10,398	\$6,182
19	\$1,853	\$1,697	\$711	\$681	\$30	\$10,301	\$6,104
20	\$1,847	\$1,683	\$704	\$675	\$29	\$10,206	\$6,027
21	\$1,841	\$1,670	\$697	\$669	\$29	\$10,111	\$5,950
22	\$1,835	\$1,656	\$690	\$662	\$29	\$10,017	\$5,875
23	\$1,829	\$1,643	\$683	\$656	\$29	\$9,924	\$5,801
24	\$1,823	\$1,629	\$676	\$650	\$28	\$9,831	\$5,728
25	\$1,817	\$1,616	\$670	\$644	\$28	\$9,740	\$5,655
26	\$1,812	\$1,603	\$663	\$638	\$28	\$9,650	\$5,584
27	\$1,806	\$1,590	\$657	\$632	\$27	\$9,560	\$5,513
28	\$1,800	\$1,577	\$650	\$626	\$27	\$9,471	\$5,444
29	\$1,795	\$1,565	\$644	\$621	\$27	\$9,383	\$5,375
30	\$1,789	\$1,552	\$638	\$615	\$27	\$9,296	\$5,307
31	\$1,784	\$1,540	\$631	\$609	\$26	\$9,209	\$5,240
32	\$1,778	\$1,527	\$625	\$603	\$26	\$9,124	\$5,174
33	\$1,773	\$1,515	\$619	\$598	\$26	\$9,039	\$5,108
34	\$1,768	\$1,503	\$613	\$592	\$26	\$8,955	\$5,044
35	\$1,762	\$1,491	\$607	\$587	\$25	\$8,872	\$4,980
36	\$1,757	\$1,479	\$601	\$581	\$25	\$8,789	\$4,917
37	\$1,752	\$1,467	\$595	\$576	\$25	\$8,708	\$4,855
38	\$1,747	\$1,456	\$589	\$571	\$25	\$8,627	\$4,793
39	\$1,742	\$1,444	\$583	\$565	\$25	\$8,546	\$4,733
40	\$1,737	\$1,433	\$578	\$560	\$24	\$8,467	\$4,673
41	\$1,732	\$1,422	\$572	\$555	\$24	\$8,388	\$4,614
42	\$1,728	\$1,410	\$566	\$550	\$24	\$8,310	\$4,556
43	\$1,723	\$1,399	\$561	\$545	\$24	\$8,233	\$4,498
44	\$1,718	\$1,388	\$555	\$540	\$23	\$8,157	\$4,441
45	\$1,714	\$1,377	\$550	\$535	\$23	\$8,081	\$4,385
46	\$1,709	\$1,366	\$545	\$530	\$23	\$8,006	\$4,330
47	\$1,704	\$1,356	\$539	\$525	\$23	\$7,931	\$4,275
48	\$1,700	\$1,345	\$534	\$520	\$23	\$7,858	\$4,221
49	\$1,696	\$1,335	\$529	\$515	\$22	\$7,785	\$4,168
50	\$1,691	\$1,324	\$524	\$510	\$22	\$7,712	\$4,115
51	\$1,687	\$1,314	\$518	\$505	\$22	\$7,640	\$4,063
52	\$1,683	\$1,304	\$513	\$501	\$22	\$7,569	\$4,012
53	\$1,679	\$1,294	\$508	\$496	\$22	\$7,499	\$3,961
54	\$1,674	\$1,284	\$503	\$492	\$21	\$7,429	\$3,911
55	\$167	\$127	\$50	\$49	\$2	\$736	\$386
	\$100,093	\$106,225	\$36,212	\$40,350	\$2,294	\$520,048	\$302,060

Table 2
Present Value of
Future Care Expenses

Year	Medication(s) e&f	Home Care/ Facility Care Option 1 g	Future Medical Care Routine h	Transportation d	Architectural Renovations d	Potential Complications
1	\$5,081	\$292,000	\$2,095	\$5,000	\$67,555	\$0
2	\$5,065	\$287,704	\$2,096	\$4,937	\$0	\$0
3	\$5,051	\$283,472	\$2,098	\$4,874	\$0	\$0
4	\$5,038	\$279,301	\$2,099	\$4,813	\$0	\$0
5	\$5,025	\$275,192	\$2,101	\$4,752	\$0	\$0
6	\$5,014	\$271,144	\$2,102	\$4,692	\$0	\$0
7	\$5,003	\$267,155	\$2,104	\$4,633	\$0	\$0
8	\$4,994	\$263,224	\$2,105	\$4,574	\$0	\$0
9	\$4,985	\$259,352	\$2,107	\$4,516	\$0	\$0
10	\$4,977	\$255,536	\$2,108	\$4,459	\$0	\$0
11	\$4,970	\$251,777	\$2,110	\$4,403	\$0	\$0
12	\$4,964	\$248,073	\$2,111	\$4,347	\$0	\$0
13	\$4,959	\$244,423	\$2,112	\$4,292	\$0	\$0
14	\$4,954	\$240,828	\$2,114	\$4,238	\$0	\$0
15	\$4,950	\$237,285	\$2,115	\$4,184	\$0	\$0
16	\$4,947	\$233,794	\$2,117	\$4,132	\$0	\$0
17	\$4,944	\$230,354	\$2,118	\$4,079	\$0	\$0
18	\$4,942	\$226,965	\$2,120	\$4,028	\$0	\$0
19	\$4,940	\$223,626	\$2,121	\$3,977	\$0	\$0
20	\$4,939	\$220,336	\$2,123	\$3,927	\$0	\$0
21	\$4,939	\$217,095	\$2,124	\$3,877	\$0	\$0
22	\$4,939	\$213,901	\$2,126	\$3,828	\$0	\$0
23	\$4,940	\$210,754	\$2,127	\$3,780	\$0	\$0
24	\$4,941	\$207,654	\$2,129	\$3,732	\$0	\$0
25	\$4,943	\$204,599	\$2,130	\$3,685	\$0	\$0
26	\$4,945	\$201,589	\$2,132	\$3,638	\$0	\$0
27	\$4,948	\$198,623	\$2,133	\$3,592	\$0	\$0
28	\$4,951	\$195,701	\$2,134	\$3,547	\$0	\$0
29	\$4,955	\$192,822	\$2,136	\$3,502	\$0	\$0
30	\$4,959	\$189,985	\$2,137	\$3,458	\$0	\$0
31	\$4,963	\$187,190	\$2,139	\$3,414	\$0	\$0
32	\$4,968	\$184,436	\$2,140	\$3,371	\$0	\$0
33	\$4,974	\$181,723	\$2,142	\$3,328	\$0	\$0
34	\$4,979	\$179,049	\$2,143	\$3,286	\$0	\$0
35	\$4,985	\$176,415	\$2,145	\$3,245	\$0	\$0
36	\$4,991	\$173,820	\$2,146	\$3,204	\$0	\$0
37	\$4,998	\$171,263	\$2,148	\$3,163	\$0	\$0
38	\$5,005	\$168,743	\$2,149	\$3,123	\$0	\$0
39	\$5,013	\$166,261	\$2,151	\$3,084	\$0	\$0
40	\$5,020	\$163,815	\$2,152	\$3,045	\$0	\$0
41	\$5,028	\$161,405	\$2,154	\$3,006	\$0	\$0
42	\$5,036	\$159,030	\$2,155	\$2,968	\$0	\$0
43	\$5,045	\$156,691	\$2,157	\$2,931	\$0	\$0
44	\$5,054	\$154,385	\$2,158	\$2,894	\$0	\$0
45	\$5,063	\$152,114	\$2,160	\$2,857	\$0	\$0
46	\$5,073	\$149,876	\$2,161	\$2,821	\$0	\$0
47	\$5,082	\$147,671	\$2,163	\$2,785	\$0	\$0
48	\$5,092	\$145,499	\$2,164	\$2,750	\$0	\$0
49	\$5,103	\$143,358	\$2,166	\$2,715	\$0	\$0
50	\$5,113	\$141,249	\$2,167	\$2,681	\$0	\$0
51	\$5,124	\$139,171	\$2,169	\$2,647	\$0	\$0
52	\$5,135	\$137,124	\$2,170	\$2,614	\$0	\$0
53	\$5,146	\$135,106	\$2,172	\$2,581	\$0	\$0
54	\$5,158	\$133,119	\$2,173	\$2,548	\$0	\$0
55	\$517	\$13,116	\$217	\$252	\$0	\$0
	\$270,871	\$10,945,892	\$115,445	\$196,807	\$67,555	\$0

Table 3
Present Value of
Future Care Expenses - Summary

Year	Present Value of Care Expenses: Option 1	Cumulative Present Value of Care Expenses: Option 1
1	\$423,977	\$423,977
2	\$327,163	\$751,140
3	\$320,592	\$1,071,732
4	\$316,102	\$1,387,835
5	\$311,678	\$1,699,513
6	\$307,224	\$2,006,737
7	\$302,929	\$2,309,666
8	\$298,697	\$2,608,363
9	\$294,528	\$2,902,891
10	\$290,419	\$3,193,309
11	\$286,370	\$3,479,680
12	\$282,381	\$3,762,061
13	\$278,450	\$4,040,511
14	\$274,576	\$4,315,087
15	\$270,759	\$4,585,846
16	\$266,998	\$4,852,845
17	\$263,292	\$5,116,137
18	\$259,640	\$5,375,777
19	\$256,042	\$5,631,819
20	\$252,496	\$5,884,314
21	\$249,001	\$6,133,315
22	\$245,558	\$6,378,873
23	\$242,165	\$6,621,039
24	\$238,822	\$6,859,860
25	\$235,527	\$7,095,388
26	\$232,281	\$7,327,668
27	\$229,082	\$7,556,750
28	\$225,929	\$7,782,679
29	\$222,823	\$8,005,502
30	\$219,762	\$8,225,264
31	\$216,746	\$8,442,009
32	\$213,773	\$8,655,783
33	\$210,844	\$8,866,627
34	\$207,958	\$9,074,585
35	\$205,114	\$9,279,699
36	\$202,311	\$9,482,010
37	\$199,550	\$9,681,560
38	\$196,828	\$9,878,388
39	\$194,147	\$10,072,534
40	\$191,504	\$10,264,038
41	\$188,900	\$10,452,938
42	\$186,334	\$10,639,272
43	\$183,805	\$10,823,078
44	\$181,314	\$11,004,391
45	\$178,858	\$11,183,250
46	\$176,439	\$11,359,689
47	\$174,055	\$11,533,744
48	\$171,705	\$11,705,449
49	\$169,390	\$11,874,839
50	\$167,109	\$12,041,949
51	\$164,861	\$12,206,810
52	\$162,646	\$12,369,456
53	\$160,463	\$12,529,919
54	\$158,312	\$12,688,231
55	\$15,619	\$12,703,851

\$12,703,851

Table 4

- a) Real growth of 1.40% (CPI-U Physicians' Services less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- b) Real growth of 0.35% (CPI-U Services of Other Medical Professional less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- c) Real growth of .34% (CPI-U Medical Equipment and Supplies less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- d) Real growth of .0%, real discount rate of 1.28% from Treasury Inflation Protected Securities
- e) Real growth of 2.23% (CPI-U Prescription Drugs less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- f) Real growth of -3.01% (CPI-U Nonprescription Drugs less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- g) Real growth of -.21% (CPI-U Care of Invalids and Elderly at Home less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- h) Real growth of 1.35% (CPI-U Professional Services less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities

Table 1
Present Value of
Future Care Expenses

Year	Projected Evaluations	Projected Therapeutic Modalities	Wheelchair(s)/ Mobility/ Maintenance	Durable Medical Items	Aids for Independent Living	Respiratory Needs	Supplies
	a & b	a & b	c & d	c	c	c&d	d
1	\$3,423	\$19,969	\$1,299	\$30	\$835	\$12,211	\$7,476
2	\$2,369	\$3,736	\$841	\$30	\$35	\$12,074	\$7,382
3	\$2,061	\$1,936	\$833	\$30	\$34	\$11,962	\$7,288
4	\$2,052	\$1,920	\$824	\$29	\$34	\$11,850	\$7,196
5	\$2,044	\$1,904	\$816	\$29	\$34	\$11,740	\$7,105
6	\$1,941	\$1,889	\$808	\$29	\$33	\$11,631	\$7,015
7	\$1,933	\$1,873	\$800	\$29	\$33	\$11,523	\$6,927
8	\$1,926	\$1,858	\$792	\$28	\$33	\$11,416	\$6,839
9	\$1,919	\$1,842	\$785	\$28	\$32	\$11,310	\$6,753
10	\$1,912	\$1,827	\$777	\$28	\$32	\$11,205	\$6,667
11	\$1,906	\$1,812	\$769	\$28	\$32	\$11,100	\$6,583
12	\$1,899	\$1,797	\$762	\$27	\$32	\$10,997	\$6,500
13	\$1,892	\$1,783	\$754	\$27	\$31	\$10,895	\$6,418
14	\$1,885	\$1,768	\$747	\$27	\$31	\$10,794	\$6,337
15	\$1,879	\$1,753	\$739	\$27	\$31	\$10,693	\$6,257
16	\$1,872	\$1,739	\$732	\$26	\$30	\$10,594	\$6,178
17	\$1,866	\$1,725	\$725	\$26	\$30	\$10,496	\$6,099
18	\$1,860	\$1,711	\$718	\$26	\$30	\$10,398	\$6,022
19	\$1,853	\$1,697	\$711	\$26	\$30	\$10,301	\$5,946
20	\$1,847	\$1,683	\$704	\$25	\$29	\$10,206	\$5,871
21	\$1,841	\$1,670	\$697	\$25	\$29	\$10,111	\$5,797
22	\$1,835	\$1,656	\$690	\$25	\$29	\$10,017	\$5,724
23	\$1,829	\$1,643	\$683	\$25	\$29	\$9,924	\$5,651
24	\$1,823	\$1,629	\$676	\$24	\$28	\$9,831	\$5,580
25	\$1,817	\$1,616	\$670	\$24	\$28	\$9,740	\$5,509
26	\$1,812	\$1,603	\$663	\$24	\$28	\$9,650	\$5,440
27	\$1,806	\$1,590	\$657	\$24	\$27	\$9,560	\$5,371
28	\$1,800	\$1,577	\$650	\$24	\$27	\$9,471	\$5,303
29	\$1,795	\$1,565	\$644	\$23	\$27	\$9,383	\$5,236
30	\$1,789	\$1,552	\$638	\$23	\$27	\$9,296	\$5,170
31	\$1,784	\$1,540	\$631	\$23	\$26	\$9,209	\$5,105
32	\$1,778	\$1,527	\$625	\$23	\$26	\$9,124	\$5,040
33	\$1,773	\$1,515	\$619	\$22	\$26	\$9,039	\$4,976
34	\$1,768	\$1,503	\$613	\$22	\$26	\$8,955	\$4,913
35	\$1,762	\$1,491	\$607	\$22	\$25	\$8,872	\$4,851
36	\$1,757	\$1,479	\$601	\$22	\$25	\$8,789	\$4,790
37	\$1,752	\$1,467	\$595	\$22	\$25	\$8,708	\$4,730
38	\$1,747	\$1,456	\$589	\$21	\$25	\$8,627	\$4,670
39	\$1,742	\$1,444	\$583	\$21	\$25	\$8,546	\$4,611
40	\$1,737	\$1,433	\$578	\$21	\$24	\$8,467	\$4,552
41	\$1,732	\$1,422	\$572	\$21	\$24	\$8,388	\$4,495
42	\$1,728	\$1,410	\$566	\$21	\$24	\$8,310	\$4,438
43	\$1,723	\$1,399	\$561	\$20	\$24	\$8,233	\$4,382
44	\$1,718	\$1,388	\$555	\$20	\$23	\$8,157	\$4,327
45	\$1,714	\$1,377	\$550	\$20	\$23	\$8,081	\$4,272
46	\$1,709	\$1,366	\$545	\$20	\$23	\$8,006	\$4,218
47	\$1,704	\$1,356	\$539	\$20	\$23	\$7,931	\$4,165
48	\$1,700	\$1,345	\$534	\$20	\$23	\$7,858	\$4,112
49	\$1,696	\$1,335	\$529	\$19	\$22	\$7,785	\$4,060
50	\$1,691	\$1,324	\$524	\$19	\$22	\$7,712	\$4,009
51	\$1,687	\$1,314	\$518	\$19	\$22	\$7,640	\$3,958
52	\$1,683	\$1,304	\$513	\$19	\$22	\$7,569	\$3,908
53	\$1,679	\$1,294	\$508	\$19	\$22	\$7,499	\$3,859
54	\$1,674	\$1,284	\$503	\$18	\$21	\$7,429	\$3,810
55	\$167	\$127	\$50	\$2	\$2	\$736	\$376
	\$190,093	\$106,225	\$36,242	\$1,291	\$2,294	\$520,048	\$294,366

Table 2
Present Value of
Future Care Expenses

Year	Medication(s) e&f	Home Care/ Facility Care Option 2 g	Medical Care Routine h	Transportation d	Architectural Renovations d	Potential Complications
1	\$5,081	\$201,842	\$2,095	\$0	\$0	\$0
2	\$5,065	\$202,759	\$2,096	\$0	\$0	\$0
3	\$5,051	\$203,680	\$2,098	\$0	\$0	\$0
4	\$5,038	\$204,605	\$2,099	\$0	\$0	\$0
5	\$5,025	\$205,534	\$2,101	\$0	\$0	\$0
6	\$5,014	\$206,468	\$2,102	\$0	\$0	\$0
7	\$5,003	\$207,405	\$2,104	\$0	\$0	\$0
8	\$4,994	\$208,347	\$2,105	\$0	\$0	\$0
9	\$4,985	\$209,294	\$2,107	\$0	\$0	\$0
10	\$4,977	\$210,244	\$2,108	\$0	\$0	\$0
11	\$4,970	\$211,199	\$2,110	\$0	\$0	\$0
12	\$4,964	\$212,158	\$2,111	\$0	\$0	\$0
13	\$4,959	\$213,122	\$2,112	\$0	\$0	\$0
14	\$4,954	\$214,090	\$2,114	\$0	\$0	\$0
15	\$4,950	\$215,062	\$2,115	\$0	\$0	\$0
16	\$4,947	\$216,039	\$2,117	\$0	\$0	\$0
17	\$4,944	\$217,020	\$2,118	\$0	\$0	\$0
18	\$4,942	\$218,006	\$2,120	\$0	\$0	\$0
19	\$4,940	\$218,996	\$2,121	\$0	\$0	\$0
20	\$4,939	\$219,991	\$2,123	\$0	\$0	\$0
21	\$4,939	\$220,990	\$2,124	\$0	\$0	\$0
22	\$4,939	\$221,994	\$2,126	\$0	\$0	\$0
23	\$4,940	\$223,002	\$2,127	\$0	\$0	\$0
24	\$4,941	\$224,015	\$2,129	\$0	\$0	\$0
25	\$4,943	\$225,032	\$2,130	\$0	\$0	\$0
26	\$4,945	\$226,054	\$2,132	\$0	\$0	\$0
27	\$4,948	\$227,081	\$2,133	\$0	\$0	\$0
28	\$4,951	\$228,112	\$2,134	\$0	\$0	\$0
29	\$4,955	\$229,148	\$2,136	\$0	\$0	\$0
30	\$4,959	\$230,189	\$2,137	\$0	\$0	\$0
31	\$4,963	\$231,235	\$2,139	\$0	\$0	\$0
32	\$4,968	\$232,285	\$2,140	\$0	\$0	\$0
33	\$4,974	\$233,340	\$2,142	\$0	\$0	\$0
34	\$4,979	\$234,400	\$2,143	\$0	\$0	\$0
35	\$4,985	\$235,464	\$2,145	\$0	\$0	\$0
36	\$4,991	\$236,534	\$2,146	\$0	\$0	\$0
37	\$4,998	\$237,608	\$2,148	\$0	\$0	\$0
38	\$5,005	\$238,687	\$2,149	\$0	\$0	\$0
39	\$5,013	\$239,771	\$2,151	\$0	\$0	\$0
40	\$5,020	\$240,860	\$2,152	\$0	\$0	\$0
41	\$5,028	\$241,954	\$2,154	\$0	\$0	\$0
42	\$5,036	\$243,053	\$2,155	\$0	\$0	\$0
43	\$5,045	\$244,157	\$2,157	\$0	\$0	\$0
44	\$5,054	\$245,266	\$2,158	\$0	\$0	\$0
45	\$5,063	\$246,380	\$2,160	\$0	\$0	\$0
46	\$5,073	\$247,499	\$2,161	\$0	\$0	\$0
47	\$5,082	\$248,623	\$2,163	\$0	\$0	\$0
48	\$5,092	\$249,752	\$2,164	\$0	\$0	\$0
49	\$5,103	\$250,887	\$2,166	\$0	\$0	\$0
50	\$5,113	\$252,026	\$2,167	\$0	\$0	\$0
51	\$5,124	\$253,171	\$2,169	\$0	\$0	\$0
52	\$5,135	\$254,321	\$2,170	\$0	\$0	\$0
53	\$5,146	\$255,476	\$2,172	\$0	\$0	\$0
54	\$5,158	\$256,636	\$2,173	\$0	\$0	\$0
55	\$517	\$25,780	\$217	\$0	\$0	\$0

Table 3

**Present Value of
Future Care Expenses - Summary**

Year	Present Value of Care Expenses: Option 2	Cumulative Present Value of Care Expenses: Option 2
1	\$254,261	\$254,261
2	\$236,387	\$490,647
3	\$234,972	\$725,619
4	\$235,648	\$961,267
5	\$236,333	\$1,197,600
6	\$236,930	\$1,434,530
7	\$237,630	\$1,672,160
8	\$238,339	\$1,910,499
9	\$239,054	\$2,149,553
10	\$239,778	\$2,389,331
11	\$240,509	\$2,629,840
12	\$241,247	\$2,871,087
13	\$241,993	\$3,113,079
14	\$242,746	\$3,355,825
15	\$243,506	\$3,599,332
16	\$244,274	\$3,843,606
17	\$245,049	\$4,088,655
18	\$245,832	\$4,334,487
19	\$246,621	\$4,581,108
20	\$247,418	\$4,828,527
21	\$248,222	\$5,076,749
22	\$249,034	\$5,325,783
23	\$249,852	\$5,575,634
24	\$250,677	\$5,826,312
25	\$251,510	\$6,077,822
26	\$252,350	\$6,330,172
27	\$253,197	\$6,583,369
28	\$254,051	\$6,837,419
29	\$254,912	\$7,092,331
30	\$255,780	\$7,348,110
31	\$256,655	\$7,604,765
32	\$257,537	\$7,862,302
33	\$258,426	\$8,120,728
34	\$259,322	\$8,380,050
35	\$260,225	\$8,640,275
36	\$261,135	\$8,901,410
37	\$262,052	\$9,163,462
38	\$262,976	\$9,426,438
39	\$263,907	\$9,690,346
40	\$264,845	\$9,955,191
41	\$265,790	\$10,220,981
42	\$266,742	\$10,487,723
43	\$267,701	\$10,755,424
44	\$268,667	\$11,024,091
45	\$269,640	\$11,293,731
46	\$270,619	\$11,564,350
47	\$271,606	\$11,835,956
48	\$272,600	\$12,108,555
49	\$273,600	\$12,382,156
50	\$274,608	\$12,656,763
51	\$275,622	\$12,932,386
52	\$276,644	\$13,209,029
53	\$277,672	\$13,486,702
54	\$278,708	\$13,765,409
55	\$27,975	\$13,793,384

Table 4

- a) Real growth of 1.40% (CPI-U Physicians' Services less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- b) Real growth of 0.35% (CPI-U Services of Other Medical Professional less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- c) Real growth of .34% (CPI-U Medical Equipment and Supplies less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- d) Real growth of .0%, real discount rate of 1.28% from Treasury Inflation Protected Securities
- e) Real growth of 2.23% (CPI-U Prescription Drugs less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- f) Real growth of -3.01% (CPI-U Nonprescription Drugs less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- g) Real growth of 1.74% (CPI-U Nursing Home and Adult Day Services less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities
- h) Real growth of 1.35% (CPI-U Professional Services less CPI-U All items), real discount rate of 1.28% from Treasury Inflation Protected Securities